

# COMMITTEE REPORT

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## MADAM PRESIDENT:

The Senate Committee on Tax and Fiscal Policy, to which was referred Senate Bill No. 541, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said bill be AMENDED as follows:

- 1        Replace the effective date in SECTION 12 with "[EFFECTIVE
- 2        JANUARY 1, 2010]".
- 3        Page 10, between lines 23 and 24, begin a new paragraph and insert:
- 4        "SECTION 7. IC 6-3-1-3.7 IS ADDED TO THE INDIANA CODE
- 5        AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE
- 6        JANUARY 1, 2009 (RETROACTIVE)]: **Sec. 3.7. (a) This section**
- 7        **applies only to an individual who in 2009 paid property taxes that:**
- 8            (1) **were imposed on the individual's principal place of**
- 9            **residence for the March 1, 2007, assessment date or the**
- 10          **January 15, 2008, assessment date;**
- 11          (2) **are due after December 31, 2008; and**
- 12          (3) **are paid on or before the due date for the property taxes.**
- 13          (b) **An individual described in subsection (a) is entitled to a**
- 14          **deduction from adjusted gross income for a taxable year beginning**
- 15          **after December 31, 2008, and before January 1, 2010, in an amount**
- 16          **equal to the amount determined in the following STEPS:**
- 17            **STEP ONE: Determine the lesser of:**
- 18            (A) **two thousand five hundred dollars (\$2,500); or**
- 19            (B) **the total amount of property taxes imposed on the**
- 20            **individual's principal place of residence for the March 1,**

1                   **2007, assessment date or the January 15, 2008, assessment**  
 2                   **date and paid in 2008 or 2009.**

3                   **STEP TWO: Determine the greater of zero (0) or the result**  
 4                   **of:**

5                   **(A) the STEP ONE result; minus**

6                   **(B) the total amount of property taxes that:**

7                   **(i) were imposed on the individual's principal place of**  
 8                   **residence for the March 1, 2007, assessment date or the**  
 9                   **January 15, 2008, assessment date;**

10                   **(ii) were paid in 2008; and**

11                   **(iii) were deducted from adjusted gross income under**  
 12                   **section 3.5(a)(17) of this chapter by the individual on the**  
 13                   **individual's state income tax return for a taxable year**  
 14                   **beginning before January 1, 2009.**

15                   **(c) The deduction under this section is in addition to any**  
 16                   **deduction that an individual is otherwise entitled to claim under**  
 17                   **section 3.5(a)(17) of this chapter. However, an individual may not**  
 18                   **deduct under section 3.5(a)(17) of this chapter any property taxes**  
 19                   **deducted under this section.**

20                   **(d) This section expires January 1, 2014."**

21                   Page 11, delete lines 8 through 9 and insert:

22                   **"(3) a listed property trust or other foreign real estate**  
 23                   **investment trust that is organized in a country that has a tax**  
 24                   **treaty with the United States Treasury Department governing**  
 25                   **the tax treatment of these trusts; or".**

26                   Page 11, line 10, delete "(5)" and insert "(4)"

27                   Page 22, delete lines 29 through 33.

28                   Page 22, line 34, delete "(g)" and insert "(f)".

29                   Page 22, line 37, delete "(h)" and insert "(g)".

30                   Page 22, line 39, delete "(i)" and insert "(h)".

31                   Page 23, line 18, delete "(j)" and insert "(i)".

32                   Page 23, line 19, delete "an account owner who is".

33                   Page 23, line 21, reset in roman "a married couple".

34                   Page 23, line 21, delete "an account owner who is".

35                   Page 23, line 22, delete "with a spouse." and insert ".".

36                   Page 23, line 23, delete "(k)" and insert "(j)".

37                   Page 23, delete lines 34 through 35.

38                   Page 23, line 36, delete "(l)" and insert "(k)".

39                   Page 23, line 38, delete "(m)" and insert "(l)".

40                   Page 23, line 40, delete "(n)" and insert "(m)".

41                   Page 24, line 3, delete "(o)" and insert "(n)".

42                   Page 24, line 17, delete "(p)" and insert "(o)".

- 1 Page 24, line 21, delete "(q)" and insert "**(p)**".
- 2 Page 24, line 27, delete "(r)" and insert "**(q)**".
- 3 Page 24, between lines 34 and 35, begin a new paragraph and insert:
- 4 "**(r) The department may disallow a credit under this section**
- 5 **unless the taxpayer, at the request of the department, establishes**
- 6 **by a preponderance of the evidence that the taxpayer who made**
- 7 **the contribution giving rise to the credit did not have tax avoidance**
- 8 **as a principal purpose.**".
- 9 Page 27, between lines 18 and 19, begin a new paragraph and insert:
- 10 SECTION 16. IC 6-3.1-31.9-1, AS ADDED BY P.L.223-2007,
- 11 SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
- 12 UPON PASSAGE]: Sec. 1. As used in this chapter, "alternative fuel"
- 13 means:
- 14 (1) methanol, denatured ethanol, and other alcohols;
- 15 (2) mixtures containing eighty-five percent (85%) or more by
- 16 volume of methanol, denatured ethanol, and other alcohols with
- 17 gasoline or other fuel;
- 18 (3) natural gas;
- 19 (4) liquefied petroleum gas;
- 20 (5) hydrogen;
- 21 (6) coal-derived liquid fuels;
- 22 (7) non-alcohol fuels derived from biological material;
- 23 (8) P-Series fuels; ~~or~~
- 24 (9) electricity; **or**
- 25 **(10) biodiesel or diesel fuel.**".
- 26 Page 44, delete lines 17 through 42.
- 27 Delete pages 45 through 47.
- 28 Page 48, delete lines 1 through 18.
- 29 Page 68, line 15, after "fund" delete "." and insert "**in the preceding**
- 30 **calendar year.**".
- 31 Page 68, line 18, after "to" strike "the".
- 32 Page 68, line 23, after "fund." insert "**fifty percent (50%) of the**".
- 33 Page 68, line 26, after "fund" delete "." and insert "**in the preceding**
- 34 **calendar year.**".
- 35 Page 74, line 30, reset in roman "income,".
- 36 Page 74, line 30, delete "adjusted gross".
- 37 Page 74, line 31, delete "income, taxable income, or taxable gross
- 38 receipts,".
- 39 Page 74, line 31, reset in roman "that term is"
- 40 Page 74, line 32, delete "those terms are".
- 41 Page 78, between lines 24 and 25, begin a new paragraph and insert:
- 42 "SECTION 55. IC 22-4-19-6, AS AMENDED BY P.L.108-2006,

SECTION 39, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 6. (a) Each employing unit shall keep true and accurate records containing information the department considers necessary. These records are:

(1) open to inspection; and

(2) subject to being copied;

by an authorized representative of the department at any reasonable time and as often as may be necessary. The department, the review board, or an administrative law judge may require from any employing unit any verified or unverified report, with respect to persons employed by it, which is considered necessary for the effective administration of this article.

(b) Except as provided in subsections (d) and (f), information obtained or obtained from any person in the administration of this article and the records of the department relating to the unemployment tax, the skills 2016 assessment under IC 22-4-10.5-3, or the payment of benefits is confidential and may not be published or be open to public inspection in any manner revealing the individual's or the employing unit's identity, except in obedience to an order of a court or as provided in this section.

(c) A claimant at a hearing before an administrative law judge or the review board shall be supplied with information from the records referred to in this section to the extent necessary for the proper presentation of the subject matter of the appearance. The department may make the information necessary for a proper presentation of a subject matter before an administrative law judge or the review board available to an agency of the United States or an Indiana state agency.

(d) The department may release the following information:

(1) Summary statistical data may be released to the public.

(2) Employer specific information known as ES 202 data and data resulting from enhancements made through the business establishment list improvement project may be released to the Indiana economic development corporation only for the following purposes:

(A) The purpose of conducting a survey.

(B) The purpose of aiding the officers or employees of the Indiana economic development corporation in providing economic development assistance through program development, research, or other methods.

(C) Other purposes consistent with the goals of the Indiana economic development corporation and not inconsistent with those of the department.

(3) Employer specific information known as ES 202 data and data resulting from enhancements made through the business establishment list improvement project may be released to the budget agency **and the legislative services agency** only for aiding the employees of the budget agency **or the legislative services agency** in forecasting tax revenues.

(4) Information obtained from any person in the administration of this article and the records of the department relating to the unemployment tax or the payment of benefits for use by the following governmental entities:

(A) department of state revenue; or

(B) state or local law enforcement agencies;

only if there is an agreement that the information will be kept confidential and used for legitimate governmental purposes.

(e) The department may make information available under subsection (d)(1), (d)(2), or (d)(3) only:

(1) if:

(A) data provided in summary form cannot be used to identify information relating to a specific employer or specific employee; or

(B) there is an agreement that the employer specific information released to the Indiana economic development corporation, ~~or~~ the budget agency, **or the legislative services agency** will be treated as confidential and will be released only in summary form that cannot be used to identify information relating to a specific employer or a specific employee; and

(2) after the cost of making the information available to the person requesting the information is paid under IC 5-14-3.

(f) In addition to the confidentiality provisions of subsection (b), the fact that a claim has been made under IC 22-4-15-1(c)(8) and any information furnished by the claimant or an agent to the department to verify a claim of domestic or family violence are confidential. Information concerning the claimant's current address or physical location shall not be disclosed to the employer or any other person. Disclosure is subject to the following additional restrictions:

(1) The claimant must be notified before any release of information.

(2) Any disclosure is subject to redaction of unnecessary identifying information, including the claimant's address.

(g) An employee:

(1) of the department who recklessly violates subsection (a), (c),

- 1 (d), (e), or (f); or  
 2 (2) of any governmental entity listed in subsection (d)(4) who  
 3 recklessly violates subsection (d)(4);  
 4 commits a Class B misdemeanor.
- 5 (h) An employee of the Indiana economic development corporation,  
 6 ~~or~~ the budget agency, **or the legislative services agency** who violates  
 7 subsection (d) or (e) commits a Class B misdemeanor.
- 8 (i) An employer or agent of an employer that becomes aware that a  
 9 claim has been made under IC 22-4-15-1(c)(8) shall maintain that  
 10 information as confidential."
- 11 Page 78, between lines 39 and 40, begin a new paragraph and insert:  
 12 "SECTION 60. [EFFECTIVE JULY 1, 2009] **(a) This SECTION**  
 13 **applies to towns (as defined in IC 36-1-2-21).**
- 14 **(b) The definitions set forth in IC 6-2.3-1 apply to this**  
 15 **SECTION.**
- 16 **(c) This SECTION applies only to a taxable year ending in 2003**  
 17 **or 2004.**
- 18 **(d) A town may claim a refund for gross income taxes**  
 19 **erroneously paid under IC 6-2.1 (before its repeal), if the town paid**  
 20 **both:**
- 21 **(1) the gross income tax imposed by IC 6-2.1 (before its**  
 22 **repeal); and**
- 23 **(2) the utilities receipts tax imposed by IC 6-2.3;**  
 24 **for the same taxable year.**
- 25 **(e) The department shall prescribe the form and procedure that**  
 26 **a town must use to claim its refund.**
- 27 **(f) This SECTION expires December 31, 2009."**
- 28 Renumber all SECTIONS consecutively.  
 (Reference is to SB 541 as introduced.)

**and when so amended that said bill do pass .**

Committee Vote: Yeas 12, Nays 0.

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**Senator Hershman, Chairperson**